Maintenance of Effort (MOE) under the IDEA



Michigan Department of Education Office of Special Education and Early Intervention Services

Why is it a problem now?

- ◆Increasing funds under the IDEA (Part B)
- State reimbursement has been stable
- Receiving more federal funding than can be spent without violating MOE
- Temptation to carry over the federal funds

Who is affected?

- Every ISD, LEA and PSA who directly expends IDEA funds (Part B)
- Any PSA or LEA that does not receive IDEA (Part B) funds is not affected



How is Maintenance of Effort defined?

Determination of MOE

- Calculate effort on a total cost basis
- Calculate effort on a per capita basis (head count or FTE)
- If effort has not been maintained, review the acceptable exceptions to the MOE requirement



What are the Exceptions?

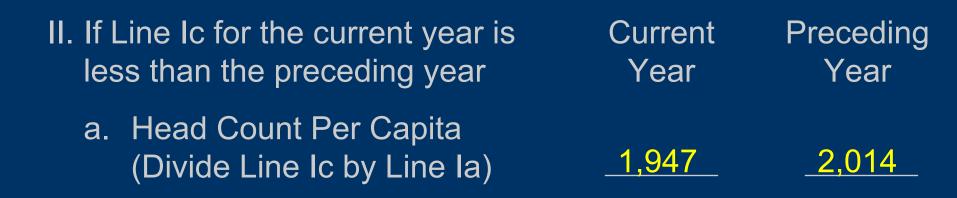


◆If the exceptions do not apply, review treatment of funds under §300.233



◆How is MOE Calculated?

| I. Data Needed | Current Year | Preceding Year | | |
|---|-----------------|-------------------|--|--|
| a. December 1 Head Count | 2,250 | 2,200 | | |
| b. September FTE Count for Special Education | 220 | 210 | | |
| c. SE-4096 Section 52 + Section 53 Costs (Line 46 - (Lines 39 + 43) | 4,380,000 | 4,430,000 | | |
| d. IDEA Flowthrough Allocation | 1,700,000 | 1,400,000 | | |

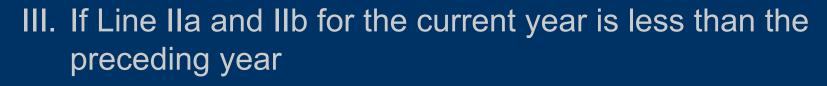


19,909

21,095

b. FTE Count Per Capita

(Divide Line Ic by Line Ib)



Justification: See Federal Registry 300.232:

Exception Code Detailed Explanation Amount(s)

300.232 (a)(1) 1. El teacher retired, replaced 37,000

by lower-salaried staff

Total MOE Justification _____

300.232 _____ 2. ____



| IV. | If no | excer | otions | apply |
|-----|-------|-------|--------|-------|
| | ••••• | | | |

Amount(s)

a. Take Line Id, current year minus preceding year

300,000

b. Multiply Line IVa x 20% (.2)

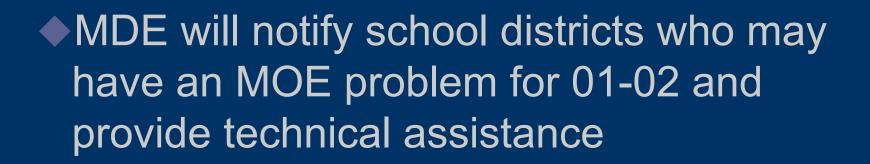
60,000

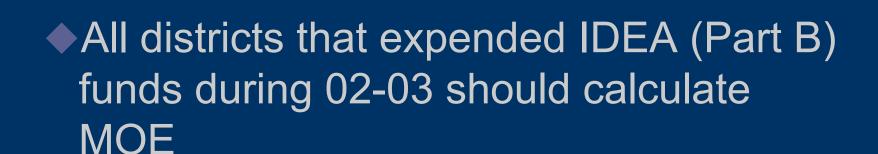
c. Add Line IVb to current year SE-4096 costs

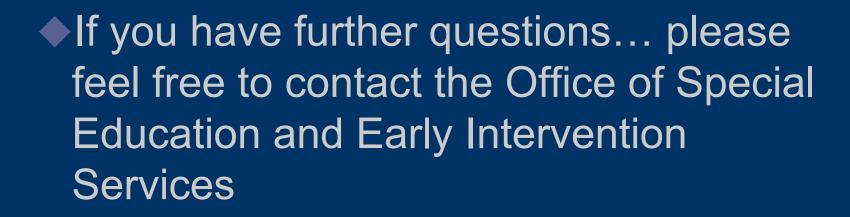
4,440,000

d. Compare current year costs with preceding year costs

<u>4,430,000</u>







Path to Numbered Memo OSE/EIS-03-06

- ◆Go to:
- Michigan.gov/mde,
 - Choose "Administrators"
 - Choose "Special Education"
 - Choose "Communications"
 - Scroll down to "Memorandum 2003-06"